

**No. 1/45/2007-MC**  
**GOVERNMENT OF INDIA**  
**MINISTRY OF FINANCE**  
**DEPARTMENT OF EXPENDITURE**  
**MONITORING CELL**

Room No. 29, Second Floor, B-Wing,  
Loknaya Bhavan, Khan Market,  
New Delhi-110003  
23<sup>rd</sup> May 2007

**OFFICE MEMORANDUM**

**Subject: Action taken on the recommendations contained in 45<sup>th</sup> Report of the Public Accounts Committee (14<sup>th</sup> Lok Sabha) relating to Excesses Over Voted Grants and Charged Appropriations (2003-04)- delay in furnishing Explanatory Notes.**

The PAC in its 45<sup>th</sup> Report (14<sup>th</sup> Lok Sabha) has observed that Ministries/Departments are not adhering to timely submission of detailed Explanatory Notes. The PAC has expressed its displeasure on inordinate delay in the submission of the Explanatory Notes and has made following observations:

*“...there is further scope for cutting down the time at various stages in regard to finalisation and submission of the Explanatory notes by them. The Committee expect that in future, the Ministry of Finance would show the requisite urgency in the matter and take all possible steps for timely submission of ATN”.*

*“Ministry appears to have not discharged their role as the nodal coordinating agency in ensuring timely submission of Explanatory Notes by different Ministries/Departments.”*

*“The Committee would now expect the Ministry of Finance to take proactive steps to ensure timely submission of Explanatory Notes by various Ministries/Departments.”*

*“Ministry of Finance in consultation with Comptroller and Auditor General of India should put in a place a centralized computerized monitoring system to check the status of the preparation of Explanatory Notes at every stage by various Ministries/Departments so that the delay in finalisation of ATRs by the PAC for regularization of excess expenditure could be avoided.”*

In view of the above it has been decided that from now onwards the Explanatory Notes would be required to be finalised by 30<sup>th</sup> September of the corresponding year so that the same could be laid in the Parliament with the Appropriation Accounts. In this regard attention is also drawn to O.M. No. G-25018/CGA-AA/Time Schedule/2006-07/1 dated 4<sup>th</sup> April 2007, where by revised time schedule for preparation of Union Government Appropriation Accounts (Civil) has been circulated. As per above circular the Union Government Appropriation Accounts Civil for the year 2006-07 are to be finalised by 30.9.2007 for their presentation to Parliament.

As per recommendation of PAC, office of CGA is also putting in place a centralized computerized monitoring system to check the status of preparation of Explanatory Notes at every stage. Ministries/Departments would be informed of its modalities in due course of time and they would be required to up load the current status of the Explanatory Notes at regular intervals.

All Ministries/Departments are, therefore, requested to take note of revised schedule for preparation of Explanatory Notes and strictly adhere to the time schedule in submitting the vetted Explanatory Notes to the PAC. Further Ministries/Departments/Audit are also requested to inform the Monitoring Cell in the Department of Expenditure about the progress made in preparation/finalisation of Explanatory Notes. Further they are requested to make all out effort to clear outstanding Explanatory Notes.

(N.K. BHAGAT)  
UNDER SECRETARY TO THE GOVERNMENT OF INDIA  
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To

1. Secretaries of all Ministries/Departments
2. FAs of all Ministries/Departments
3. Pr.CCAs/CCAs/CAs/Dy.CAs of Ministries/Departments
4. JS (Budget), Budget Division, Ministry of Finance, (DEA), New Delhi
5. Office of the C&AG of India, New Delhi
6. Office of the DGA, CR, New Delh